Allowable Post-Manufacturing Expenses (MAPE) are specified for all price controlled formulations. All these aspects/expenses are part of the MAPE. Various aspects relating to price control, inter-alia including profitability are subject matter of the review of the Drug Policy 1986 which was discussed in the House on August 18, 19 and 23, 1993.

BICP services for pricing

882. DR. NARREDDY THULASI REDDY : Will the PRIME MINISTER be pleased to refer to the answer to Unstarred Question 3076 given in Rajya Sabha on 10th August, 1993 and state :

(a) whether Government is continuing to use the services of BICP for drug pricing ;

(b) whether BICP findings have been found to be tainted and biased but Ministry has still found this body indispensable ;

(c) whether it is a fact that a number of officers have managed to say continuously in two or more spells for over a decade in this organisation ; and

(d) what are their names and what steps have been taken to revamp this organisation so as to do justice to the consumers ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE DEPARTMENT OF ELECTRONICS AND THE MINISTER OF STATE IN THE DEPARTMENT OF OCEAN DEVELOPMENT (EDUARDO FALEIRO) : (a) Yes, Sir.

(b) to (d) BICP is an expert organisation of the Government for Industrial Costs and Pricing. Their role is of an advisory nature and final decisions on their recommendations are taken by the Government after due consideration.

Bulk drug Ranitidine and formulation prices

883. PROF. I. G. SANADI :
DR. NARREDDY THULASI REDDY :

Will the PRIME MINISTER be pleased to state :

(a) what is the price of bulk drugs Ranitidine on which the formulation prices are based and when was the price of formulations and the bulk drug fixed :

(b) who are the three major formulators of Ranitidine and whether it is a fact that they are procuring large quantities at Rs. 1200 per Kilogram but are overcharging the price of formulations on the basis of Government approval under DPCO, 1987 ;

(c) what is the price at which largest producer, M/s. Globe Organics is selling the bulk drug and the reasons for which the formulation prices have not been fixed based on this price ;

(d) whether it is a fact that there is secret understanding between both the formulators and Government ; and

(e) what is the function of his Ministry under DPCO, 1987, if such cases have been allowed to go unnoticed ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE DEPARTMENT OF ELECTRONICS AND THE MINISTER OF STATE IN THE DEPARTMENT OF OCEAN DEVELOPMENT (SHRI EDUARDO FALEIRO) : (a) The prices of leader packs of formulations based on bulk drug Ranitidine were notified on 20-6-1988 on the basis of weighted average import price of Rs. 4396 per Kg.

(b), (c) and (e) M/s. Glaxo, M/s. Ranbaxy and M/s Cadila are now the major formulators of Ranitidine. After the promulgation of the Drugs (Prices Control) Order, 1987, the then major producer of

Ranitidine was exempt from price control under the provisions of the Drugs (Prices Control) Order, 1987 for 5 years. On the expiry of this period, the BICP has been asked to conduct Cost-cum-Technical Study of this bulk drug. Sale price of this bulk drug manufactured by various producers would also be considered by the BICP while conducting this study.

(d) No, Sir.

New Drug Policy

884. PROF. I. G. SANADI:
DR. NARREDDY THULASI REDDY:

Will the PRIME MINISTER be pleased to state:

(a) at what stage the New Drug Policy stands at present:

(b) when would it be announced and what objective are sought to be achieved:

(c) how justice to consumers is sought to be done;

(d) whether the impact of the proposed policy on price increases has been studied and if so, what are the details in this regard;

(e) whether the Ministry has made any study on price increases of medicines under the existing policy and if so, what are the reasons for such high increases:

(f) whether it is also a fact that price increases of medicines are proposed to be linked to increase in wholesale price index and not based on actual increases in costs or whole price index of chemicals; and

(g) if so, what would be its effect on price increases?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE DEPARTMENT OF ELECTRONICS AND THE MINISTER OF STATE IN THE DEPARTMENT OF OCEAN DEVELOPMENT (SHRI EDUARDO FALEIRO): (a) to (g) The discussions on the various aspects of the Drug Policy, 1986 have taken place in the House on 18th, 19th and 23rd August, 1993. Final decisions in this regard are still to be taken. Due care is being taken to see that there is no spurt in the prices of medicines.

Operation of M/s. Rhone Poulanc

885. PROF. I. G. SANADI:
DR. NARREDDY THULASI REDDY:

Will the PRIME MINISTER be pleased to state:

(a) whether M/s. Rhone Poulanc have failed to produce any bulk drug from basic stages inspite of specific conditions in their industrial licences;

(b) whether it is a fact that they are over invoicing the imports and have refrained from investments due to respite provided by Government;

(c) the reasons for which the conditions of the approvals and commitments given by the company were not enforced:

(d) what are the intermediates being imported by them in violation of the conditions and without resorting to basic production which they were expected to undertake; and

(e) what are the names of drugs being produced by this company and from which stage and what is the stage allowed in each case?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS WITH ADDITIONAL CHARGE OF THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE DEPARTMENT OF ELECTRONICS AND DEPARTMENT OF OCEAN DEVELOPMENT (SHRI EDUARDO FALEIRO): (a) to (e) Details will be collected and placed on the Table of the House.